



TENNESSEE ECONOMIC AND COMMUNITY DEVELOPMENT
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COMMISSIONER AT WORK

A few highlights of Commissioner Kisber's most recent activities.

Speaking Engagements:

- Aerropolis Luncheon, Memphis, TN
- Government Finance Offices Association meeting, Franklin, TN
- Leadership Clarksville, Clarksville, TN
- Leadership Franklin, Franklin, TN
- Maryville Kiwanis Club, Maryville, TN
- National Field Hearing on Surface Transportation, Memphis, TN
- State and Local Tax (SALT) Forum, Nashville, TN
- Tennessee Farm Bureau, Franklin, TN
- Tennessee Industrial Development Council Conference, Knoxville, TN
- West TN Economic Summit, Jackson, TN

Events:

- American Israel Chamber of Commerce Luncheon, Nashville, TN
- Batesville Caskets Awards Ceremony, Manchester, TN
- Community Development Block Grant Awards, Nashville, TN
- FedEx Emergememphis Grand Opening, Memphis, TN
- Governor's Inauguration, Nashville, TN
- Komatsu America Corp. Anniversary celebration, Chattanooga, TN
- 2006 Manufacturing Summit, Nashville, TN
- Sekisui Plastics Grand Opening, Mt. Pleasant, TN
- Southeast U.S./Japan and Japan/U.S. Southeast Associations Conference, Orlando, FL

Announcements

(Continued from Page 3)

Nucor Corporation announced its plans to locate a specialty bar quality products steel mill in Memphis. The company will invest \$230 million, employ more than 200 people and have a production capacity of more than 850,000 tons of steel annually.

Port of Cates Landing is a new intermodal river port and industrial park on the Mississippi River in Lake County. Plans call for the port to be connected via improvements to State Route 22 from the port site to U.S. Highway 78 in Tiptonville, as well as by a short-line railroad to the main line of the Canadian National Railroad. The project should be complete by 2008.

Portfolio Recovery Associates, Inc., a provider of accounts receivable management services headquar-

tered in Norfolk, Va., will establish a new call center in Jackson that will accommodate more than 300 new collectors. Portfolio Recovery Associates specializes in the purchase, management and collection of charged-off consumer debt.



ECD Commissioner Matthew Kisber joins the board of directors of Milagro Biofuels, Inc. to cut the ribbon opening Memphis' first biofuel production facility.

Milagro Biofuels recently celebrated its grand opening of the Milagro Biofuels production facility in Memphis. Located in the historic cotton oil plant at the corner of Front Street and Keel Avenue, the refinery will produce three million gallons of high quality biodiesel annually, using virgin soy oil as the primary feedstock.

Twin City Fan Companies, Ltd. will bring a new manufacturing plant to Pulaski. The company will open its new operation in a spec building, located in Industrial Park South. Production is scheduled to begin in May 2007 with an anticipated 50 to 100 employees hired in its first full-year of operation.

Springs Global will expand production capacity at its bath rug facility in Nashville and add up to 193 jobs by December 2007. The company plans to close its Calhoun, Ga., plant and consolidate its capacity at the Nashville facility.

Calpaco Paper, Inc. has bought the Quebecor building in Dresden and will employ 100 people within 12 to 18 months of starting operation. Within three years, Calpaco plans to employ 300 people at the facility.

Headquarters

(Continued from Page 1)



Akzo Nobel Coatings Groundbreaking: (left to right) Dr. Hans Wijers, chairman, Akzo Nobel; Nashville Mayor Bill Purcell; Ronnie Greer, Metropolitan Nashville Councilman and ECD Commissioner Matthew Kisber.

ZOI will move its Las Vegas corporate staff and employees at Tournament Games to Cummins Station in downtown Nashville.

Since Governor Bredesen took office, 28 headquarter operations have relocated to Tennessee. *Site Selection* magazine, one of the nation's premier economic development publications, recently ranked Tennessee as the No. 5 best business location in the U.S. This marks the second year in a row Tennessee has ranked among the top five states in the nation for its business climate.

Tennessee Department of Economic & Community Development, Authorization #330957 - 8,600 copies, January 2007. This public document was promulgated at a cost of 13¢ per copy.

DEVELOPMENTS

NEWS FROM TENNESSEE ECD

Hub for Headquarters

Four new companies call Tennessee home

Tennessee continues to be successful in catching the attention of companies interested in relocating and expanding. Four companies have recently announced they are moving their corporate headquarters to Tennessee.

ServiceMaster, PBR International, Akzo Nobel and ZOI Interactive recognize the economic benefits of Tennessee's business climate and have decided to call it home.

"Tennessee has demonstrated our state is a great place to locate a business and attract top business talent," said ECD Commissioner Matthew Kisber. "Through Governor Bredesen's leadership, we've eliminated red tape, improved customer service and created strong partnerships with local leaders leading to more than 104,994 new jobs since 2003 and capital investment of \$12.8 billion."

ServiceMaster is the nation's 488th largest corporation and will relocate its corporate headquarters to Memphis. More than 150 headquarter positions will transition from



Gov. Bredesen joins John Moore, CEO of Memphis Regional Chamber and ServiceMaster executives to announce the Fortune 500 company's move to Memphis.

the company's current location in Downer's Grove, Ill. ServiceMaster provides household cleaning products and services.

PBR International, a leading global supplier of brake system technology, will relocate its North American headquarters from Michigan to Knoxville. The company will invest \$500,000 to expand its existing plant and will open a new distribution facility in East Knox County's Forks of the River Industrial Park.

Akzo Nobel Coatings, Inc., named Nashville as its North American Powder Coatings headquarters and technical laboratories. The company will add 50 new jobs to the Nashville area. The Global Fortune 500 company provides human and animal health care products, coatings and chemicals.

ZOI Interactive Technologies, leading developers of Web-based, interactive, advertiser-supported content, will relocate its corporate headquarters from Las Vegas to Nashville.

(See Headquarters, Page 4)

Japanese Invest in Tennessee

With four Japanese companies announcing new investment initiatives recently, Tennessee's successful relationship with Japan continues to boost our state's economy.

Koyo, Nakatetsu and DENSO all three announced new manufacturing projects in East Tennessee and Sekisui Plastics Co., Ltd., recently celebrated the grand opening of their new manufacturing facility in Mt. Pleasant, the company's first U.S. facility.

"These announcements are further evidence that Tennessee continues to enjoy a great

relationship with our friends in Japan, a partnership that is more than two decades old," said ECD Commissioner Matthew Kisber.

Koyo Corporation of USA broke ground on its third U.S. bearing manufacturing plant. The company will partner with Nakatetsu Incorporated of Tennessee to establish a joint venture, Nakatetsu Machining Technologies, and will also open a manufacturing facility. The projects will bring 150 new jobs to Washington County Industrial Park.

DENSO Manufacturing Tennessee, Inc. celebrated a groundbreaking on a projected \$185 million expansion at its facility in

January/February 2007

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Announcements...

Oreck celebrated the grand opening of its new manufacturing facility in Cookeville. The company will purchase a 310,000 square-foot facility from TRW Vehicle Safety Systems, Inc. The new manufacturing facility brings 100 new jobs to the area consisting of assembly, skilled trades and professional positions.



Gov. Bredesen lifts the popular eight-pound Oreck upright vacuum cleaner.

(See Announcements, Page 3)

COMMISSIONER'S CORNER

It's a new year with new opportunities for the state of Tennessee to create jobs for its citizens.



Over the last four years, this Administration has elevated job growth to new heights, landing several corporate headquarters, certifying more communities in our Three-Star program, expanding our global outreach, building on our job training programs and assisting small businesses.

Since Gov. Bredesen took office, we have generated more than \$12 billion in new investment in this state and have created more than 104,000 new jobs.

We are now ready for the next phase.

The economic benefits of Tennessee's business climate are being noticed nationally. Now, more

than any time before, we are witnessing more prospective activity taking place, from industries looking to locate in Tennessee and companies already here looking to expand.

Every new relationship we've built and maintained, every cooperative step shared with local communities and every thought-out strategy for implementation, is what we're doing to work toward achieving that top spot.

Our goal is to make Tennessee more competitive than any other state in the Southeast.

We feel very positive about what's been accomplished, what we're doing to achieve even more and what the future holds for this great state. We are ready for the future.

Matthew Kiser
— Matthew Kiser
Commissioner, Tennessee Department of
Economic & Community Development

ECD launches "Retire Tennessee" Web site



Retirees looking to call Tennessee home now have an online resource to discover the Tennessee good life. ECD launched the Retire Tennessee Web Site at www.retiretennessee.org and unveiled the program's logo and tagline – "The good life just got better."

The Retire Tennessee Web site features Tennessee's amenities and information about climate, geography, cost of living and visiting the state. The program tagline spotlights Tennessee as the perfect setting for a retiree's interests and hobbies.

Launched in July 2006, Retire Tennessee is a pilot program that promotes Tennessee as a great place for retirees to call home. ECD selected nine

Tennessee communities to participate in the pilot program: Cumberland, Greene, Hamilton, Hardin, Henry, Lawrence, Marshall, Putnam and Sullivan Counties. ECD chose these communities based on their efforts to develop retiree recruitment strategies and their progress with an optional retiree recruitment component of the Tennessee Three-Star program. The communities will be partnering with the state to promote attractive features of their communities.

Work force development issues dominate 2006 Manufacturing Summit

Discussions pertaining to productive workers was the dominant theme at the 2006 Tennessee Manufacturing Summit Dec. 5, 2006, at Loews Vanderbilt Plaza in Nashville. Whether discussions centered on competitiveness, innovation or lean manufacturing, conversations quickly turned to companies being able to attract, retain and retrain quality workers.

Eric Canada, founder of Blane Canada, Ltd., a Chicago-based economic development consulting firm, began the forum, assessing key performance indicators impacting Tennessee's manufacturing industry.

Canada's analysis, based on a statewide survey of industry executives, indicated Tennessee manufacturers are in excellent positions related to productivity, research and development activities, and anticipating workforce needs. Canada's survey also highlighted some of the challenges manufacturers face, including employee training and proximity to suppliers. Jim Morton, vice chairman of Nissan North America, Inc. delivered the luncheon keynote address. Morton



DENSO Manufacturing was awarded the 2006 Shingo Award for Excellence in Manufacturing at the Tennessee Manufacturing Summit. (L to R) Don Tracy, DENSO; Labor & Workforce Development Commissioner James Neeley; Masahiko Hattori, DENSO; Jack Helmboldt, DENSO; James Woroniecki, DENSO; former Revenue Commissioner Loren Chumley; Bob Booker, DENSO; and ECD Commissioner Matthew Kiser.

discussed Nissan's scope of operations in Tennessee and the growth of the automotive industry in the state.

At the luncheon's conclusion, Dr. David Milhorn, vice president for research at the University of Tennessee, presented the Shingo Award for Excellence in Manufacturing to representatives from DENSO Manufacturing Tennessee. The Shingo Award recognizes companies in the United States, Canada and Mexico

that achieve world-class manufacturing status.

The summit concluded with a CEO roundtable, featuring Joe Internicola of Dupont, Darrel Corpening with Eastman Chemical and Chris Combs of DCS Electronics.

Approximately 190 business, community and government representatives from across Tennessee attended the event.

Knoxville area leverages regional partnerships for maximum economic benefit

Through a regional approach to economic development, the Knoxville area is gaining national attention as a place to do business. In 2006, the region had \$127 million in new investment, saw the creation of almost 800 new jobs and landed the No. 5 spot on Forbes' "Best Places for Business and Careers."

Developments recently sat down with Rhonda Rice, executive vice president of the Knoxville Chamber; Doug Lawyer, the chamber's director of economic development, and Todd Napier, director of development for The Development Corporation of Knox County, to get their thoughts on generating economic success through effective regional relationships.

Q: What are some examples of regional efforts that have led to economic success for the Knoxville area?

A: The largest example of regional efforts that has led to direct success for the Knoxville region is our *Jobs Now!* economic development work plan. This plan is a comprehensive road map for recruitment of new companies to the region, expansion of our existing industries and a detailed strategy for working with start-up and entrepreneurial companies. Since the program began in 2003, our region has seen 20,000 jobs created, \$1.8 billion in new non-resi-

dential capital investment and increased earnings per job. The *Jobs Now!* program is a partnership between the Knoxville Chamber, the Oak Ridge Economic Partnership and East Tennessee Economic Development Agency.

Q: How do you foster collaboration between urban and rural players?

A: Often projects appear on the radar of the Knoxville Chamber that simply cannot be sited in Knox County due to restraints of available industrial land and business parks in Knox County. We are fortunate that there are many opportunities in surrounding counties, that can be presented to prospects, to keep the project in our region. We truly believe that growing the regional economy benefits everyone.

Q: What obstacles to the Knoxville area's growth have been removed because of regional economic cooperation?

A: The greatest obstacle removed came from creating a partnership among organizations so as not to compete with each other in the incentives game. By working together, whether it is with an existing industry or new company to make the best business decision for their company, we all work to keep the company in the region,

and do not allow local incentives alone to become part of the equation.

Q: How is a regional approach keeping the Knoxville area competitive in attracting new investment?

A: Our region is staying competitive by pooling our resources and utilizing a consistent message formed around our Knoxville-Oak Ridge Innovation Valley Brand. Site consultants understand that when they bring projects to our region, they get a unified message and faster response.

Q: How are you sustaining the regional partnerships for continued economic growth?

A: The most recent tangible example is by two counties teaming together to develop a new high-tech business park. The park, located in Blount County, is jointly funded by both Blount and Knox County governments. The return on investment is many years ahead but having the leadership in one's region that understands what investments must be made to secure long term sustainability is a huge asset. The other critical piece is to maintain honest open communication throughout our regional partnerships. This must happen at all levels, from local economic developers to all elected officials.

ECD ANNOUNCEMENTS

Aurora Casket Company has opened a new state-of-the-art facility for the manufacture of hardwood caskets in Piney Flats. The facility boasts 158,000 square-feet of manufacturing space, 10,350 square-feet of office and 27,000 square-feet of warehouse, maintenance and boiler room space. Aurora began manufacturing hardwood caskets in the Bristol area in 2003, when the company acquired the Cortim Hardwood Parts Company. The new Piney Flats facility will replace the antiquated Bristol plant. About 100 people will be employed at the facility.

American Door and Millwork has announced the purchase of a 105,000 square-foot building and approximately 11 acres on the former Murray, Inc. property in Lawrenceburg. The business currently operates out of a 33,000 square-foot facility that the company built two years ago as an addition to its sister company, J.W. Garland Wholesale Siding, Inc., which is located on Hwy. 43 in Ethridge. It is projected that the company's current employment of 45 will increase by 15 to 20 employees in the next year.

Cellotec, a manufacturer of self-adhesive tapes that are used for mounting applications in the graphic arts and automotive markets, announced they will be moving their complete operations to the Coffee County Interstate Industrial Park in Manchester.

Clarksville-Montgomery County industrial site is now a certified megasite, a large industrial property suitable for major automotive manufacturing. McCallum Sweeney Consulting of Greenville, S.C., a TVA-commissioned independent firm, certified the property, known as the Commerce Park, Central Tennessee's Megasite. Commerce Park is the first certified site in Middle Tennessee and the fourth in the state. Other certified megasites in Tennessee are located in Haywood County, Crockett County and Chattanooga.

DTR Tennessee, Inc. plans to invest \$10 million in its third expansion in three years. DTR, which is located in Tazewell, announced it will build an 88,000 square-foot addition, which will increase the total plant size to more than 309,000 square-feet. The addition

is scheduled to be completed by September 2007.

FedEx Express recently dedicated the carrier's new 71,000 square-foot sorting facility and wide-body jet in Nashville. The new service more closely integrates Nashville to the FedEx global network. For businesses, the service enhancement means outbound freight and packages from Nashville reach the Memphis World Hub and Indianapolis World Hub faster for quicker transit to the field.



Bill Primeaux, FedEx Government Affairs; ECD Commissioner Matthew Kiser; and Glenn Sessum, FedEx vice president of Air Ground Freight Operations